

**THE DIRECTOR OF CENTRAL INTELLIGENCE**

WASHINGTON, D.C. 20505

**National Intelligence Council**

13 August 1981

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM : Hans Heymann, Jr.  
Acting National Intelligence Officer for USSR-EE

SUBJECT : Today's IG and Tomorrow's SIG: Problems of Aid to Poland

1. The SIG on Poland scheduled for noon tomorrow (14 Aug 81), is evidently intended by Egelburger as a continuation of a consciousness-raising exercise for the policy community, for which today's IG was the opening gun. Since there was no agenda for either meeting, I can best prepare you by recounting the essentials of today's meeting.

2. Ambassador Chuck Meissner (Haig's Special Assistant for Economic Negotiations and just back from Paris after some frustrating quadrilateral talks with the Europeans on aid to Poland) characterized the IG meeting as being aimed at pulling together our information on (1) the state of affairs in Poland and where it may be going, (2) what resources Poland may need to put its house in order and (3) where and in what form these resources might be obtained. This introduction was followed by some rather gloomy presentations by State and CIA on the political-economic situation and prospects for stability in Poland and on the rising Soviet concern about the incapacity of the Polish government to have its writ followed. The only bright spots are indications that economic reforms and economic stabilization measures are in an advanced stage of discussion within the Government. The big problem remains that of opening a meaningful dialogue with Solidarity that might lead to a common view of practical steps that could be taken. Since every Government-Solidarity dialogue involves both painful burden-sharing and crucial power-sharing issues, progress has been almost invisible. Until the profound distrust of the Government harbored by Solidarity and the populace can be mitigated, the prospects are grim, indeed.

3. Egelburger turned to Meissner for a description of the state of play on the debt rescheduling and new financing front. The bottom line is that the Poles have been stalling on both their government-to-government rollover agreements and on their private bank renegotiations. If they concluded all of these agreements, their credit worthiness would be slightly enhanced, but it would cost them close to \$1 billion in back interest and down payment charges. They may well continue to stall through the end of the year, taking advantage of the moratorium on principal repayment and avoiding any back interest charges. That will, of course, leave them worse

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